

Message Text

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PAGE 01 BUENOS 06133 220733Z

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ACTION ARA-10

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TAGS: ELAB, PINT, SOCI, AR

SUBJECT: AUTO WORKERS BACK ON THE JOB

REF: BUENOS AIRES 5906 AND PREVIOUS

1. WITH THE EXCEPTION OF ONE OF THE GM PLANTS (BARRACAS), BUENOS AIRES AUTO WORKERS ARE BACK ON THE JOB, FOLLOWING A SERIES OF STRIKES, WORK STOPPAGES AND SLWDOWNS OVER THE PAST FEW WEEKS. WORKER EFFICIENCY IS STILL LOW AT SOME OF THE PLANTS, HOWEVER. A COMBINATION OF TOUGH MEASURES-- DISMISSAL OF WORKER ACTIVISTS, THE NEW GOVERNMENT LAW NO. 21,400 ESTABLISHING PRISON SENTENCES FOR STRIKING WORKERS, AND THE RESTORATION OF THE NORMAL 5-DAY WORK WEEK (BECAUSE OF IMPROVED MARKET PROSPECTS) IN MOST OF THE INDUSTRY APPEAR TO HAVE BEEN THE SIGNIFICANT FACTORS IN THE WORKERS' RETURN TO WORK.

2. THE DISMISSAL OF THE STRIKE LEADERS, HOWEVER, IS AN ISSUE WHICH CAN CUT BOTH WAYS. WORKERS AT BARRACAS, FOR EXAMPLE, HAVE BEEN DEMANDING THE REINCORPORATION OF TWO WORKERS FIRED BY GM, ALONG WITH WAGE INCREASES ABOVE THE 12 PER CEN CEILING AND PAYMENT OF WAGES LOST ON ACCOUNT OF THE STRIKE, AS PRECONDITIONS FOR REUTRNING TO WORK. GM, HOWEVER, IS OPTIMISTIC THAT THE WORKERS WILL BE BACK TO WORK TODAY (SEPTEMBER 20), EVEN THOUGH THE COMPANY DOES NOT INTEND TO MEET ANY OF THESE

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PAGE 02 BUENOS 06133 220733Z

DEMANDS. (LABOR MINISTER TOLD EMBOFF, INCIDENTALLY, THAT

BARRACAS HAS HAD LONG HISTORY OF LABOR TROUBLE, AND LAID BLAME AS MUCH ON ALLEGED COMPANY MISMANAGEMENT AS ON LEFTIS AGITATION.)

3. WHILE PRODUCTIVITY ON THE PART OF THE RETURNING WORKERS IS DESCRIBED AS IMPROVING IN SOME OF THE PLANTS, INDUSTRY REPRESENTATIVES DO NOT RULE OUT THE POSSIBILITY OF FURTHER LABOR TROUBLE. SEVERAL INDUSTRIAL RELATIONS DEPARTMENT HEADS CLAIM THAT THEY HAVE DISCOVERED A SECOND ECHELON OF AGITATORS WHICH THEY MISSED IN THE LAST ROUND OF DISMISSALS. THE LABOR MINISTER, HOWEVER, WHILE CONFIRMING THE EXISTENCE OF SUBSTANTIAL COMMUNIST AGITATION IN THE AUTO PLANTS, BELIEVES THAT THE PROBLEM IS OVER FOR NOW AND THAT NO FURTHER OUTBREAKS ARE IMMINENT. GENERAL LIENDO EXPRESSED OPTIMISM THAT THE GOVERNMENT WOULD WIN THE RACE TO BRING ABOUT SUBSTANTIAL ECONOMIC RECOVERY BEFORE ANY FURTHER CASES OF SERIOUS LABOR DIFFICULTIES.

4. ALTHOUGH METALLURGICAL WORKERS DID NOT WORK ONE DAY LAST WEEK DURING THE HEIGHT OF THE AUTO WORKERS STRIKE, THIS HAS BEEN CHALKED UP AS AN UNCONNECTED EVENT IN CELEBRATION OF ARGENTINE METAL WORKERS' DAY. THE AUTO WORKERS' STRIKE EVIDENTLY DID NOT SPREAD TO OTHER INDUSTRIES. THE ONLY POTENTIALLY SIGNIFICANT LABOR CONFLICT AT THE MOMENT IS THAT OF SEGBA LAST WEEK REPORTEDLY EXPERIENCED SOME SLOWDOWNS AND THERE ARE RUMORS OF A POSSIBLE STRIKE OVER THE COMPANY'S FAILURE TO PAY BACK WAGES DUE FOR WHAT THE UNION CONSIDERS TO BE OVERTIME WORK, SEGBA'S PLAN TO INCREASE THE WORK WEEK TO 40 HOURS IN SOME OF THE SECTIONS AND ITS REPORTED INTENTION TO ABROGATE UNILATERALLY OTHER PORTIONS OF EXISTING COLLECTIVE AGREEMENTS BELIEVED BY MANAGEMENT TO BE "PREJUDICIAL." THE ENTERPRISE HAS ALSO REPORTED ACTS OF SABOTAGE AGAINST SOME OF ITS INSTALLATIONS. FOR ITS PART, THE UNION BLAMES UNKNOWN AGITATORS FROM THE OUTSIDE FOR THESE DISTURBANCES, AND NOT THE WORKERS.

5. IN ADDITION TO THE MURDER OF A CHRYSLER PLANT MANAGER (REFTEL BA 5906), THE ONLY OTHER ACT OF VIOLENCE COMING TO OUR ATTENTION WHICH MAY BE RELATED TO THE AUTO INDUSTRY'S RECENT LABOR PROBLEMS WAS THE MACHINE GUNNING OF A HOME BELONGING TO A FORD OFFICIAL. (IN BOTH CASES, THE VICTIM AND INTENDED VICTIM WERE OF ARGENTINE NATIONALITY.) THESE ACTS OF VIOLENCE HAVE BEEN INTERPRETED IN THE PRESS AS TERRORIST ACTIONS IN LIMITED OFFICIAL USE

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PAGE 03 BUENOS 06133 220733Z

RETALIATION FOR THE DISMISSAL OF SOME OF THE STRIKE-LEADERS AND THE COMPANY'S FAILURE TO MEET THE WORKERS' WAGE DEMANDS.

6. ACCORDING TO PRESS ACCOUNTS, THE TOP BRASS OF THE NAVY (GENERALLY CONSIDERED TO BE THE MOST ANTI-LABOR OF THE THREE SERVICES) MET THIS WEEK TO DISCUSS THE LOSS OF WORKER PURCHASING POWER, AND THEY REPORTEDLY PLAN FURTHER TO CONSIDER PROPOSALS FOR THE RELIEF OF THE POOREST LEVELS OF THE WORKING CLASS.

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